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U.S. ANNOUNCES THE ARRESTS OF FOUR INDIVIDUALS
IN MASSIVE SCHEME TO DISTRIBUTE PIRATED
NINTENDO VIDEO GAME CONSOLES

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, and JOHN KLOCHAN, Acting Assistant Director-In-Charge of the New York Field Office of the FBI, announced today the arrests of LIJING BAO, a/k/a "Jean," WEIWEI ZUO, a/k/a "Vivian," and JULIANA LIE in a far-ranging scheme to distribute thousands of illegally copied or "pirated" Nintendo video game consoles. The illegal game consoles, marketed under the brand name "Power Player," each contain approximately 76 pirated versions of popular Nintendo games such as "Donkey Kong," "Mario Brothers," "Duck Hunt," "Baseball," and others. Mr. KELLEY and Mr. KLOCHAN also announced the seizure of over 60,000 pirated Nintendo game consoles in five separate searches conducted earlier today in Brooklyn and Queens, New York, and Maple Shade, New Jersey. A fifth defendant, BO WIN, a/k/a "Bob," remains at large.

BAO, ZUO, WIN, CHANG and LIE are charged in a Complaint unsealed earlier today in the United States District Court for

the Southern District of New York. The Complaint charges the defendants with conspiracy to commit copyright infringement in connection with the distribution of pirated game consoles.

According to the Complaint, the scheme was conducted through two companies, "Wheel Enterprises, Inc." and "BMC Imports," both of which are located in Brooklyn, New York. As detailed in the Complaint, undercover agents of the FBI, posing as distributors of the pirated Nintendo game consoles, spoke with and met the defendants on several occasions, and arranged to purchase large quantities of pirated Nintendo game consoles. It is alleged that, during the course of those meetings, the undercover agents indicated that they intended to resell the pirated game consoles at various locations, including Union Square in Manhattan, various flea markets, and to another distributor in the Midwest. During an undercover meeting at Wheel Enterprises's offices in Brooklyn, the undercover agents were allegedly shown a large warehouse, where they saw hundreds of cases of pirated Nintendo game consoles. Each case is estimated to contain 20 separate pirated video game consoles.

BAO, ZUO, CHANG and LIE were arrested earlier today at Wheel Enterprises's offices in Brooklyn. They were there for a meeting with the undercover agents, during which they had allegedly agreed to sell to the undercover agents approximately 9000 pirated Nintendo game consoles in exchange for approximately \$63,000.

According to the Complaint, the investigation has revealed that, between September and December 2004, the defendants imported into the United States approximately 27 high-quantity cargo containers containing pirated video game consoles. The complaint estimates that over 280,000 illegal video game consoles were smuggled into the United States within those containers.

According to the Complaint, the defendants stored the pirated game consoles at several storage locations in the New York metropolitan area. Earlier today, agents of the FBI executed search warrants for three of those locations. It is estimated that over 60,000 pirated Nintendo game consoles were recovered during those searches.

According to the Complaint, Nintendo representatives have informed the FBI that individuals and/or companies copy or "pirate" video games manufactured by Nintendo or its licensees and sell these pirated versions of the games throughout the world. Nintendo estimates that the pirating of its video games, and the infringement of its copyrights on those games, results in the loss of millions of dollars of revenue every year, the Complaint noted.

According to the Complaint, Wheel Enterprises and BMC Imports are owned and operated by defendant LIJING BAO, a/k/a "Jean," together with a partner who resides in China; defendant JULIANA LIE works as the accountant for Wheel Enterprises; defendant ZHEMING CHANG, a/k/a "Jimmy," is the nephew of BAO, and

works closely with BAO in the operation of Wheel Enterprises and in sales; and defendants WEIWEI ZUO, a/k/a "Vivian," and BO WIN, a/k/a "Bob," sell Pirated Game Consoles on behalf of Wheel Enterprises.

LIJING BAO, a/k/a "Jean," 34, is a citizen of the People's Republic of China, who resides in Forest Hills, New York.

WEIWEI ZUO, a/k/a "Vivian," 30, is a citizen of People's Republic of China, who resides in Forest Hills, New York.

ZHEMING CHANG, a/k/a "Jimmy," 21, is a citizen of People's Republic of China, who resides in Flushing, New York.

JULIANA LIE, 34, is a citizen of People's Republic of China, who resides in Brooklyn, New York.

The defendants will be presented this afternoon before the United States Magistrate Judge KEVIN NATHANIEL FOX.

Mr. KELLEY praised the investigative efforts of the FBI and its Computer Hacking and Intellectual Property Squad, and thanked Nintendo for its assistance in the investigation. He said the investigation is continuing.

Assistant United States Attorney MARCUS A. ASNER is in charge of the prosecution.

The charges contained in the Complaint are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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